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### **Treasurer forecasts historic increase in funds for teachers**

State Treasurer Dean Martin will visit the Show Low Library Nov. 1 to speak on how the improved investment performance in the education endowment fund is likely to double distributions next fiscal year.

The visit will take place from noon to 1 p.m.

The visit is part of his initiative to open government finances and provide greater transparency. Martin will meet with local government investors and constituents, to provide an update on improvements in the Treasurer's Office, share news of historic new education funding increases from the Treasurer's Office, as well as solicit feedback to improve service to taxpayers and investors.

"My administration will continue to be the most open Treasurer's office in state history, reaching out beyond 'the state of Maricopa'," Martin said.

The treasurer will provide an update on the economy, economic trends and State Treasurer's Office performance and its management of over \$12 billion in investments, including Local Government Investment Pools and State Land Trust Endowment Funds.

Martin will discuss a record \$69 million in public school funding from the education endowment managed by the treasurer.

"This landmark increase means good news for teachers and students who are the direct recipients of our investments," Martin said. "Due to improved investment performance, teachers and students will see a 114 percent increase in education endowment distributions."

They will receive an equivalent of \$1,430 per full-time teacher/classroom to be used for class size reduction, teacher pay increases, AIMS assistance and dropout prevention programs. These monies are distributed directly to classrooms and cannot be supplanted.

"I am excited to announce that due to our investment performance, we are likely to more than double the funds distributed for education this year," Martin said. "This landmark increase means good news for teachers and students who are the direct recipients of our investments."

Proceeds from the investment of the endowment directly increase education funding to the classroom site fund. These revenues are distributed directly to school districts to decide how to expend. These new funds will supplement existing school revenues since endowment distributions are not subject to legislative appropriation.

"Depending on where the markets finally close on June 29, we are forecasting distributions between \$65 million to \$70 million for our school children and teachers," Martin added.

These distributions are up significantly from FY 06-07 distributions of only \$32 million, under the previous treasurer's administration.

These increases are primarily the result of improved investment performance and not due to recent record lands sales. The endowment has not yet received (and therefore cannot invest) the majority of these recent land sales.

More than \$1 billion dollars from these land sales will be deposited over the next seven years.

"The future for the endowment looks promising. We are still eagerly waiting for more than \$1 billion in proceeds from land sales to be deposited. Once we receive these monies we will immediately invest them, further growing the endowment," Martin said.

"Teachers and parents should engage their local administration and school boards this summer on how to best use classroom site fund monies," Martin noted.

State Trust Lands and the Permanent Endowment Fund were established by Congress when Arizona became a state and are governed by the Arizona Constitution.

Proceeds from state land sales are deposited into the thirteen different endowment funds; earnings from investments are distributed by the State Treasurer to its beneficiaries. The Common School Fund for education is the largest endowment at over \$2 billion in assets.

As a statewide constitutional officer, Martin serves as the state's chief financial officer, third in line of succession to the governor, responsible for the prudent custody and management of taxpayer monies.